



A BILL FOR AN ORDINANCE

RELATING TO REAL PROPERTY TAXATION.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. The purpose of this ordinance is to revise (1) the reporting requirements for certain exemptions identified in Section 8-10. 1 (d) and (2) the penalty provision for failing to comply with the reporting requirements for such exemptions.

SECTION 2. Section 8-10.1, Revised Ordinances of Honolulu 1990, ("Claims for certain exemptions"), as amended, is amended by amending subsection (d) to read as follows:

"(d) The owner of any property which has been allowed an exemption under Sections 8-10.4, 8-10.6 through 8-10.11, 8-10.24, 8-10.27, 8-10.29, 8-10.32, or 8-10.33 has a duty to report to the assessor within 30 days after such owner or property ceases to qualify for such an exemption, but no later than November 1st preceding the tax year for which the owner or the property no longer qualifies for the exemption for, among others, the following reasons:

- (1) The ownership of the property has changed;
- (2) A change in the facts previously reported has occurred concerning the occupation, use or renting of the premises, buildings or other improvements thereon; or
- (3) A change in status has occurred which affects the owner's exemption.

Such report shall have the effect of voiding the claim for exemption previously filed, as provided in subsection (b)(4) of this section. The report shall be sufficient if it identifies the property involved, states the change in facts or status, and requests that the claim for exemption previously filed be voided.

In the event the property comes into the hands of a fiduciary who is answerable as provided for by this chapter, the fiduciary shall make the report required by this subsection within 30 days after the assumption of the fiduciary's duties or within the time otherwise required, whichever is later.



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A penalty shall be imposed for the failure to make the report required by this subsection. The amount of the penalty shall be the lesser of: (A) \$500 [for each year that the change in facts remains unreported]; or (B) the difference in the amount of taxes that were paid and those that would have been due but for the exemption allowed. In addition to this penalty, the taxes due on the property plus any additional penalties and interest thereon shall be a paramount lien on the property as provided by this chapter."

SECTION 3. Ordinance material to be repealed is bracketed. New material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the revisor of ordinances need not include the brackets, the bracketed material or the underscoring.

